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#### DEPARTMENT OF COMMERCE

International Trade Administration

(A-489-818)

Steel Concrete Reinforcing Bar from Turkey: Final Negative Determination of Sales at Less Than Fair Value and Final Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) determines that imports of steel concrete reinforcing bar (rebar) from Turkey are not being, or are not likely to be, sold in the United States at less than fair value (LTFV), as provided in section 735 of the Tariff Act of 1930, as amended (the Act). The final weighted-average dumping margins are listed in the "Final Determination" section of this notice. The Department also finds that critical circumstances do not exist for Turkey with regard to the two mandatory respondents, Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas) and Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. (Icdas), but do exist for all other producers and exporters of subject merchandise.

DATES: Effective Date: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Jolanta Lawska (Icdas) or George McMahon (Habas), AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-8362 or (202) 482-1167, respectively.

#### SUPPLEMENTARY INFORMATION:

# **Background**

On April 24, 2014, the Department published the *Preliminary Determination* in the *Federal Register*.<sup>1</sup> In the *Preliminary Determination*, we postponed the final determination until no later than 135 days after the publication of the *Preliminary Determination* in accordance with section 735(a)(2)(A) of the Act and 19 CFR 351.210(b)(2)(ii) and (e) and invited parties to comment on our *Preliminary Determination*. We received case and rebuttal briefs from the Petitioners<sup>2</sup>, Habas, and Icdas. We also received a case brief from the interested party Colakoglu Metalurji, A.S. and the Turkish Steel Exporter's Association. On July 31, 2014, we conducted a public hearing in this investigation.

## Period of Investigation

The period of investigation is July 1, 2012, through June 30, 2013.

# **Scope Comments**

On June 19, 2014, the Petitioners submitted a request that the Department amend the scope of this investigation to exclude certain types of deformed steel wire by inserting the sentence below immediately before the last sentence of the current scope language:

Also excluded from the scope is deformed steel wire meeting ASTM A1064/A1064M with no bar markings (*e.g.*, mill mark, size or grade) and without being subject to an elongation test.

We solicited comments on the scope of the investigation from interested parties in the *Initiation*Notice<sup>3</sup> and case briefs. Based on the fact that no other interested party submitted comments

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<sup>&</sup>lt;sup>1</sup> See Steel Concrete Reinforcing Bar from Turkey: Preliminary Affirmative Determination of Sales at Less Than Fair Value, Preliminary Affirmative Determination of Critical Circumstances, and Postponement of Final Determination, 79 FR 22804 (April 24, 2014) (Preliminary Determination).

<sup>&</sup>lt;sup>2</sup> Petitioners are the Rebar Trade Action Coalition and its members: Nucor Corporation, Gerdau Ameristeel U.S. Inc., Commercial Metals Company, Cascade Steel Rolling Mills, Inc., and Byer Steel Corporation.

<sup>&</sup>lt;sup>3</sup> See Steel Concrete Reinforcing Bar From Mexico and Turkey: Initiation of Antidumping Duty Investigations, 78 FR 60827 (October 2, 2013) (Initiation Notice).

regarding the Petitioners' request to amend the scope language, we incorporated this amendment in the "Scope of the Investigation" section below.

### Scope of the Investigation

The merchandise subject to this investigation is steel concrete reinforcing bar imported in either straight length or coil form (rebar) regardless of metallurgy, length, diameter, or grade.

The subject merchandise is classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) primarily under item numbers 7213.10.0000, 7214.20.0000, and 7228.30.8010.

The subject merchandise may also enter under other HTSUS numbers including 7215.90.1000, 7215.90.5000, 7221.00.0015, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6085, 7228.20.1000, and 7228.60.6000. Specifically excluded are plain rounds (*i.e.*, non-deformed or smooth rebar). Also excluded from the scope is deformed steel wire meeting ASTM A1064/A1064M with no bar markings (*e.g.*, mill mark, size or grade) and without being subject to an elongation test. HTSUS numbers are provided for convenience and customs purposes; however, the written description of the scope remains dispositive.

#### Analysis of the Comments Received

All issues raised in the case briefs by parties to this investigation are addressed in the Issues and Decision Memorandum.<sup>4</sup> A list of the issues which parties raised and to which we responded is in the Issues and Decision Memorandum and attached to this notice as an Appendix. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty

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<sup>&</sup>lt;sup>4</sup> See the memorandum from Deputy Assistant Secretary Christian Marsh to Assistant Secretary Paul Piquado titled "Issues and Decision Memorandum for the Final Determination in the Less than Fair Value Investigation of Steel Concrete Reinforcing Bar from Turkey" dated concurrently with this notice and hereby adopted by this notice (Issues and Decision Memorandum).

Centralized Electronic Service System (IA ACCESS). IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a> and it is available to all parties in the Central Records Unit (CRU), room 7046 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <a href="http://enforcement.trade.gov/frn/index.html">http://enforcement.trade.gov/frn/index.html</a>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

### Changes Since the Preliminary Determination

Based on our analysis of the comments received, pre-verification corrections, and our findings at verifications, we made certain changes to the margin calculations for Habas and Icdas.<sup>5</sup>

### Verification

As provided in section 782(i) of the Act, we conducted sales and cost verifications of the questionnaire responses submitted by Habas and Icdas. We used standard verification procedures, including examination of relevant accounting and production records, as well as original source documents provided by both companies.

#### Final Determination of Critical Circumstances

On December 4, 2013, Petitioners filed a timely critical circumstances allegation pursuant to section 733(e)(l) of the Act and 19 CFR 351.206(c)(l), alleging that critical

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<sup>&</sup>lt;sup>5</sup> For a discussion of these changes, *see* Memorandum to Neal Halper titled, "Cost of Production and Constructed Value Calculation Adjustments for the Final Determination – Habas," dated concurrently with this notice and Memorandum to the File titled, "Final Determination in the Antidumping Duty Investigation of Steel Concrete Reinforcing Bar from Turkey - Analysis Memorandum for Habas," dated concurrently with this notice; *see* also Memorandum to Neal Halper titled "Cost of Production and Constructed Value Calculation Adjustments for the Final Determination – Icdas," dated concurrently with this notice and Memorandum to the File titled, "Final Determination in the Antidumping Duty Investigation of Steel Concrete Reinforcing Bar from Turkey - Analysis Memorandum for Icdas," dated concurrently with this notice; *see also* Memorandum to the File, titled "Final Determination in the Antidumping Duty Investigation of Steel Concrete Reinforcing Bar from Turkey – Sales Analysis Memorandum to the File, titled "Final Determination in the Antidumping Duty Investigation of Steel Concrete Reinforcing Bar from Turkey – Sales Analysis Memorandum for Icdas," (Sales Analysis Memorandum for Icdas," (Sales Analysis Memorandum for Icdas), dated concurrently with this notice.

circumstances exist with respect to imports of the merchandise under consideration. Based on our analysis, pursuant to 735(a)(3), we find that critical circumstances do not exist for Habas and Icdas, but do exist for all other producers and exporters. The finding for producers and exporters subject to the all others rate is moot because the antidumping duty margins for Habas and Icdas are *de minimis*. Thus, we will not instruct U.S. Customs and Border Protection (CBP) to retroactively suspend entries for producers and exporters subject to the all others rate.

For a full description of the methodology and results of our analysis, *see* the Critical Circumstances Section of the Issues and Decision Memorandum.

## Final Determination

We determine that the estimated weighted-average dumping margins are as follows:

Producer or Exporter	Estimated Weighted-Average
	<b>Dumping Margin</b>
	(percent)
Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S.	0.00
(Habas)	
Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S.	0.00
(Icdas)	
	0.00
All Others	

Consistent with section 735(c)(1) of the Act, the Department has not determined an estimated all-others rate because it has not made an affirmative final determination of sales at LTFV.

# **Disclosure**

We will disclose the calculations performed within five days of the date of publication of this notice to parties in this proceeding in accordance with 19 CFR 351.224(b).

# Suspension of Liquidation

Because the estimated weighted-average dumping margins for the examined companies are *de minimis*, we are not directing CBP to suspend liquidation of entries of rebar from Turkey. As noted above, for this final determination, the Department found that critical circumstances exist with respect to the "all other" producers and/or exporters. The finding for "all others" is moot because the final determination of dumping is negative. Thus, we will not instruct CBP to retroactively suspend entries for firms subject to the all others rate. Further, we will instruct CBP to liquidate without regard to antidumping duties those entries that were suspended on or after January 24, 2014, which is 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*.<sup>6</sup>

In the final determination of the companion countervailing duty investigation on rebar from Turkey, the Department determined that the all other companies received a benefit from export subsidies.<sup>7</sup> The antidumping duty margins for Habas and Icdas are *de minimis* and no cash deposits will be collected. Therefore, no adjustment is required for export subsidies pursuant to sections 735(c)(1) and 772(c)(1)(C) of the Act and 19 CFR 351.210(d).<sup>8</sup> These instructions suspending liquidation will remain in effect until further notice.

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<sup>&</sup>lt;sup>6</sup> In the *Preliminary Determination*, in accordance with section 733(d)(2) of the Act, we directed CBP to suspend liquidation of all entries of rebar from Turkey from companies with above de minimis margins, as described in the Scope of the Investigation section that are entered, or withdrawn from warehouse, for consumption on or after April 24, 2014 (the date of publication of the Preliminary Determination notice in the Federal Register), and to require a cash deposit for such entries in the amounts indicated in the Preliminary Determination. Because we preliminarily determined that critical circumstances existed with regard to imports of rebar produced or exported by Turkish firms other than Habas and Icdas, we directed CBP to apply the suspension of liquidation to any unliquidated entries of rebar from Turkey that are entered, or withdrawn from warehouse, for consumption on or after January 24, 2014, which is 90 days prior to the date of publication of the *Preliminary Determination* in the *Federal Register*. <sup>7</sup> See Steel Concrete Reinforcing Bar from the Republic of Turkey: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination, dated concurrently with this notice. <sup>8</sup> Consistent with the Department's practice, where the product under investigation is also subject to a concurrent countervailing duty investigation, we instruct CBP to require a cash deposit or posting of a bond equal to the amount by which the normal value exceeds the export price or constructed export price, as indicated in the estimated margin section above, less the amount of the countervailing duty determined to constitute an export subsidy. See, e.g., Notice of Final Determination of Sales at Less Than Fair Value and Negative Critical Circumstances Determination: Bottom Mount Combination Refrigerator-Freezers From the Republic of Korea, 77 FR 17413 (March 26, 2012).

U.S. International Trade Commission Notification

In accordance with section 735(d) of the Act, we will notify the U.S. International Trade

Commission of our final determination.

Return or Destruction of Proprietary Information

This notice will serve as a reminder to parties subject to administrative protective order

(APO) of their responsibility concerning the disposition of proprietary information disclosed

under APO in accordance with 19 CFR 351.305. Timely written notification of the destruction

of APO materials or conversion to judicial protective order is hereby requested. Failure to

comply with the regulations and the terms of an APO is a sanctionable violation.

We are issuing and publishing this determination and notice pursuant to sections 735(d)

and 777(i)(l) of the Act.

Date: September 8, 2014

Paul Piquado

**Assistant Secretary** 

for Enforcement and Compliance

7

# **Appendix**

# List of Topics Discussed in the Issues and Decision Memorandum

- I. Summary
- II. List of Comments
- III. Background
- IV. Critical Circumstances
- V. Scope Comments
- VI. Scope of the Investigation
- VII. Margin Calculations
- VIII. Discussion of the Issues
  - 1. Whether the Department Should Deny Respondents' Duty Drawback Adjustments
  - 2. Whether Exempted Duties Should be Added to Costs Regardless of Whether the Department Grants the Duty Drawback Adjustment
  - 3. Whether the Department Should Revise Habas and Icdas' Home Market (HM) Control Numbers (CONNUMs) for the Yield Strength Product Characteristic (MSYSTRH)
  - 4. Whether the Department Should Include Rebar Type (REBARTYPEH/U) as a Product Characteristic Forming Part of the Control Number (CONNUM)
  - 5. Whether HM Sales of Foreign Grade Rebar Are Outside the Ordinary Course of Trade
  - 6. Whether Critical Circumstances Exist for All Others
  - 7. Date of Sale for Habas' U.S. Market
  - 8. Whether the Department Should Utilize Habas' Revised Mill Scale Offset in the Cost Calculations
  - 9. Whether the Department Should Disallow Habas' Offsets Related to Prior Fiscal Years
  - 10. Date of Sale for Icdas' U.S. Market
  - 11. Differential Pricing Analysis
  - 12. Denial of Offsets for Non-Dumped Sales When Using the Average-to-Transaction Method
  - 13. Whether the Department Should Account for Certain COP Differences not Reported by Icdas
  - 14. Whether the Department Should Adjust Icdas' TOTCOM for Unreconciled COM Differences
  - 15. Whether the Department Should Adjust the Cost Calculation of Rebar to Reflect the Production of Short-Length Rebar
  - 16. Whether Icdas Correctly Reported The Byproduct Offset Amount For Scrap And Related Materials
  - 17. Whether the Department Should Include Insurance Proceeds in Calculating Icdas' G&A Expenses

#### IX. Recommendation

[FR Doc. 2014-21986 Filed 09/12/2014 at 8:45 am; Publication Date: 09/15/2014]